Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Commerce & Labor Committee

HB 1812

Brief Description: Concerning wine labels.

Sponsors: Representatives Newhouse, Conway, Chandler, Moeller and Sullivan.

Brief Summary of Bill

• Establishes standards for the use of "Washington" on wine labels.

Hearing Date: 2/11/09

Staff: Joan Elgee (786-7106)

Background:

Manufacturers, producers, bottlers, and distributors of wine must put on information as to the identity and quality of the wine, alcoholic content, net contents, and the name of the producer, manufacturer, or bottler on packages. By rule, the Liquor Control Board allows a wine to be labeled with an appellation of origin if at least 75 percent of its volume is derived from both fruit or other agricultural products grown in the place or region indicated. The wine must also conform to the requirements of the law of the place or region.

The federal Alcohol and Tobacco Tax and Trade Bureau (TTB) designates American viticultural areas (AVAs) to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. An AVA may be in one state or may cross state borders. The TTB has adopted rules specifying when certain appellations of origin may be used on a wine label. To use a label with the name of a state, at least 75 percent of the wine must be derived from fruit or agricultural products grown in the state. To use an AVA label, at least 85 percent of the wine must be derived from grapes grown in the AVA.

Summary of Bill:

House Bill Analysis - 1 - HB 1812

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Standards are placed on the use of the appellation of origin "Washington" claimed or implied anywhere on a wine label.

- If the label states "Washington," 95 percent of the grapes used in the production of the wine must have been grown in Washington.
- If the label states "Washington" and the name of an AVA located wholly within Washington, 95 percent of the grapes used in the production of the wine must have been grown in Washington.
- If the label states "Washington" and the name of an AVA located in both Washington and an adjoining state, 95 percent of the grapes used in the production of the wine must have been grown within the AVA.

If the Director of the Department of Agriculture (Director) finds evidence of material damage, destruction, disease, or other loss to one or more vineyards in any AVA, region, subregion, or other discrete area, the Director must notify the Liquor Control Board (Board) and the Board may suspend the labeling standards with respect to the adversely affected area for such period of time as the Board reasonably may determine.

Rules Authority: The bill does not address the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.